

*Leggett & Platt*<sup>®</sup>

---

Fourth Quarter 2024  
Summary Financial Information and  
Restructuring Update

*February 13, 2025*

# Forward-Looking Statements



Statements in this presentation that are not historical in nature are “forward-looking.” These statements are identified either by the context in which they appear or by use of words such as “anticipate,” “estimate,” “expect,” “guidance,” “may,” “plan,” or the like. These statements include, but are not limited to, future EPS, adjusted EPS, sales, volume for the Company and per segment, raw material-related price decreases, currency impacts, depreciation and amortization, net interest expense, tax rate, diluted shares outstanding, operating cash, capital expenditures, amount of dividends, minimal acquisitions and share repurchases, implied adjusted EBIT margin, any restructuring benefit and operational efficiency improvements, the amount and timing of restructuring costs, gain from the sale of real estate, and sales attrition and EBIT benefit from the restructuring plan. All such forward-looking statements are expressly qualified by the cautionary statements described in this provision. We do not have, and do not undertake, any duty to update any forward-looking statement. Forward-looking statements should not be relied upon as a prediction of actual future events or results. Any forward-looking statement reflects only the beliefs of Leggett at the time the statement is made. All forward-looking statements are subject to risks and uncertainties which might cause actual events or results to differ materially from the forward-looking statements. These risks and uncertainties include: the preliminary nature of the estimates related to the Restructuring Plan, and the possibility that all or some of the estimates may change as the Company’s analysis develops; our ability to timely implement the Restructuring Plan in a manner that will positively impact our financial condition and results of operation; our ability to timely dispose of real estate pursuant to the Restructuring Plan, or otherwise obtain expected proceeds; the impact of the Restructuring Plan on the Company’s relationships with its employees, customers and vendors; other restructuring-related costs beyond that incurred as part of the Restructuring plan; global inflationary and deflationary impacts; macro-economic impacts; demand for our products and our customers’ products; our manufacturing facilities’ ability to obtain necessary raw materials and parts, maintain appropriate labor levels and ship finished products to customers; goodwill and long-lived asset impairment; inability to issue commercial paper or borrow under the credit facility; credit downgrades; inability to collect receivables; inability to pass along raw material price increases; inability to maintain profit margins; conflict between China and Taiwan; changes in our capital needs; changing tax rates; market conditions; increased trade costs; foreign country operational risks; price and product competition; cost and availability of raw materials, parts, labor, and energy; cash generation to pay the dividend; political risks; disruption to our rod mill; disruption to our operations and supply chain from weather-related events and other impacts; foreign currency fluctuation; our ability to manage working capital; anti-dumping duties; data privacy; cybersecurity incidents; unauthorized use of artificial intelligence; customer bankruptcies and losses; climate change regulations; ESG risks; cash repatriation; litigation risks; and other risk factors in Leggett’s most recent Form 10-K and Form 10-Q.

# Financial Summary

## 4<sup>th</sup> Quarter:

- Q4 sales of \$1.1 billion, a 5% decrease vs Q4-23
  - Volume was down 4%
  - Raw material-related price decreases and currency impact reduced sales 1%
- Q4 adjusted<sup>1</sup> EBIT of \$56 million, down \$10 million vs Q4-23 adjusted<sup>1</sup> EBIT
- Adjusted<sup>1</sup> EBIT margin of 5.3%, down 60 bps vs Q4-23 adjusted<sup>1</sup> EBIT margin
- Q4 adjusted<sup>1</sup> EPS of \$.21, down \$.05 vs Q4-23 adjusted<sup>1</sup> EPS of \$.26

## Full Year:

- Full year sales of \$4.4 billion, a 7% decrease vs 2023
  - Volume was down 4%
  - Raw material-related price decreases reduced sales 3%
- Full year adjusted<sup>1</sup> EBIT of \$267 million, down \$67 million vs 2023 adjusted<sup>1</sup> EBIT
- Full year adjusted<sup>1</sup> EBIT margin of 6.1%, down 100 bps vs 2023 adjusted<sup>1</sup> EBIT margin
- Full year adjusted<sup>1</sup> EPS of \$1.05, down \$.34 vs 2023 EPS of \$1.39

<sup>1</sup> See slides 5, 11, and 29 for calculation of adjusted EBIT, adjusted EBIT margin, and adjusted EPS

# Q4 2024 Financial Highlights



\$'s in millions (except EPS)	Reported Q4-24	Adj. <sup>1</sup>	Adj. Q4-24	Reported Q4-23	Adj. <sup>1</sup>	Adj. Q4-23	Change
Sales	\$1,056		\$1,056	\$1,115		\$1,115	(5%)
EBIT	44	12	56	(367)	433	66	(16%)
EBIT Margin	4.1%		5.3%	(32.9%)		5.9%	(60 bps)
EPS	.10	.11	.21	(2.18)	2.44	.26	(19%)
Cash from Operations	122		122	146		146	(16%)
EBITDA	78	12	90	(322)	433	111	(19%)
EBITDA margin	7.4%		8.5%	(28.9%)		9.9%	(140 bps)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# Q4 2024 Sales & EBIT Bridge



Sales:	mln \$'s	% change
4 <sup>th</sup> Qtr 2023	\$1,115	
Approx volume decrease	(41)	(4%)
Approx raw material-related pricing and currency impact	(18)	(1%)
Organic Sales	(59)	(5%)
Acquisitions	—	—%
4 <sup>th</sup> Qtr 2024	\$1,056	(5%)

EBIT:		margin
Adjusted <sup>1</sup> 4 <sup>th</sup> Qtr 2023	\$66	5.9%
Primarily metal margin compression, lower volume, and other smaller items partially offset by lower amortization expense, restructuring benefit, and operational efficiency improvements.	(10)	
Adjusted <sup>1</sup> 4 <sup>th</sup> Qtr 2024	\$56	5.3%

<sup>1</sup> See slide 5 for calculation of adjusted EBIT and adjusted EBIT margin

# Q4 2024 Earnings



\$'s in millions (except EPS)	Reported Q4-24	Adj. <sup>1</sup>	Adj. Q4-24	Reported Q4-23	Adj. <sup>1</sup>	Adj. Q4-23	Change
EBIT	\$44	\$12	\$56	(\$367)	\$433	\$66	(16%)
Net interest	19		19	20		20	
Pre-tax earnings	25	12	37	(386)	433	47	(21%)
Income taxes	11	(3)	8	(89)	100	11	
<i>Tax rate</i>			22.0%			23.5%	
Net earnings	14	15	29	(297)	333	36	(19%)
Noncontrolling interests	—		—	—		—	
Net earnings attributable to L&P	14	15	29	(297)	333	36	(19%)
EPS	.10	.11	.21	(2.18)	2.44	.26	(19%)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# Adjusted Working Capital



\$'s in millions	12/31 2024	9/30 2024	12/31 2023
Cash & equivalents	\$350	\$277	\$365
Accounts receivable, net	559	638	637
Inventories, net	723	754	820
Other current assets	58	65	59
<b>Total current assets</b>	<b>1,691</b>	<b>1,735</b>	<b>1,881</b>
Current debt maturities	(1)	(301)	(308)
Current operating lease liabilities	(53)	(54)	(57)
Accounts payable	(498)	(516)	(536)
Accrued and other current liabilities	(294)	(301)	(361)
<b>Total current liabilities</b>	<b>(846)</b>	<b>(1,172)</b>	<b>(1,263)</b>
<b>Working capital</b>	<b>844</b>	<b>563</b>	<b>619</b>
% of annualized sales <sup>1</sup>	20.0%	12.8%	13.9%
<b>W/C, excl. cash &amp; current debt/lease</b>	<b>549</b>	<b>640</b>	<b>619</b>
% of annualized sales <sup>1</sup>	13.0%	14.5%	13.9%

<sup>1</sup> Annualized sales: 4Q24: \$1,056x4=\$4,226; 3Q24: \$1,102x4=\$4,407; 4Q23: \$1,115x4=\$4,460

# Net Debt to Adjusted EBITDA



\$'s in millions	12/31 2024	9/30 2024	12/31 2023
Long-term debt	\$1,863	\$1,578	\$1,680
Current maturities	1	301	308
Total debt	1,864	1,879	1,988
Less: Cash & equivalents	(350)	(277)	(365)
<b>Net debt</b>	<b>1,514</b>	<b>1,602</b>	<b>1,622</b>
EBIT, trailing 12 months	(430)	(840)	(90)
Depreciation & amortization	136	147	180
EBITDA	(294)	(694)	90
Non-GAAP adjustments (pretax) <sup>1</sup>	696	1,117	424
<b>Adjusted EBITDA, trailing 12 months</b>	<b>403</b>	<b>424</b>	<b>513</b>
<b>Net debt to 12-month adjusted EBITDA <sup>2</sup></b>	<b>3.76x</b>	<b>3.78x</b>	<b>3.16x</b>

<sup>1</sup> 12/31/24 Non-GAAP adjustments include \$676 goodwill impairment charges, \$50 restructuring charges, \$4 CEO transition compensation costs, (\$31) gain on sale of real estate, and (\$2) gain from net insurance proceeds; 9/30/24 Non-GAAP adjustments include \$675 goodwill impairment, \$444 long-lived asset impairment, \$34 restructuring charges, \$4 CEO transition compensation costs, (\$33) gain on sale of real estate, and (\$7) gain from net insurance proceeds; 12/31/23 Non-GAAP adjustments include \$444 long-lived asset impairment, (\$11) gain on sale of real estate, and (\$9) gain from net insurance proceeds. For additional non-GAAP reconciliation information, see page 10 of the press release.

<sup>2</sup> Calculated differently than the Company's credit facility covenant ratio.

# Cash Flow

\$'s in millions	4 <sup>th</sup> Qtr		YTD	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net earnings	\$14	(\$297)	(\$511)	(\$137)
D&A	34	45	136	180
Impairment, write-offs & other	12	447	724	446
Other non-cash	3	(112)	(73)	(108)
Changes in working capital:				
Accounts receivable	56	72	43	49
Inventory	4	20	45	87
Other current assets	8	10	4	4
Accounts payable	(7)	(6)	(28)	14
Other current liabilities	(3)	(33)	(33)	(37)
<b>Cash from operations</b>	<b>122</b>	<b>146</b>	<b>306</b>	<b>497</b>
Capital expenditures	22	23	82	114
Acquisitions	—	—	—	—
Dividends	7	61	136	239
Share repurchases (issuances), net	—	1	5	6
Proceeds from asset sales	6	10	47	23
Additions (repayments) of debt, net	(16)	15	(126)	(107)

# 2024 Financial Highlights



\$'s in millions (except EPS)	Reported 2024	Adj. <sup>1</sup>	Adj. 2024	Reported 2023	Adj. <sup>1</sup>	Adj. 2023	Change
Sales	\$4,384		\$4,384	\$4,725		\$4,725	(7%)
EBIT	(430)	696	267	(90)	424	334	(20%)
EBIT Margin	(9.8%)		6.1%	(1.9%)		7.1%	(100 bps)
EPS	(3.73)	4.78	1.05	(1.00)	2.39	1.39	(24%)
Cash from Operations	306		306	497		497	(39%)
EBITDA	(294)	696	403	90	424	513	(22%)
EBITDA margin	(6.7%)		9.2%	1.9%		10.9%	(170 bps)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# 2024 Sales & EBIT Bridge



Sales:	mln \$'s	% change
2023	\$4,725	
Approx volume decrease	(205)	(4%)
Approx raw material-related pricing	(136)	(3%)
Organic Sales	(341)	(7%)
Acquisitions	—	—%
<b>2024</b>	<b>\$4,384</b>	<b>(7%)</b>

EBIT:		margin
Adjusted <sup>1</sup> 2023	\$334	7.1%
Primarily lower volume and unfavorable sales mix, raw material-related pricing adjustments, metal margin compression, and other expected higher expense items, partially offset by lower amortization expense, operational efficiency improvements, and restructuring benefit.	(67)	
<b>Adjusted<sup>1</sup> 2024</b>	<b>\$267</b>	<b>6.1%</b>

<sup>1</sup> See slide 11 for calculation of adjusted EBIT and adjusted EBIT margin

# 2024 Earnings



\$'s in millions (except EPS)	Reported 2024	Adj. <sup>1</sup>	Adj. 2024	Reported 2023	Adj. <sup>1</sup>	Adj. 2023	Change
EBIT	(\$430)	\$696	\$267	(\$90)	\$424	\$334	(20%)
Net interest	79		79	83		83	
Pre-tax earnings	(509)	696	187	(173)	424	251	(25%)
Income taxes	2	41	43	(37)	98	61	
<i>Tax rate</i>			22.9%			24.5%	
Net earnings	(511)	656	144	(137)	326	189	(24%)
Noncontrolling interests	—		—	—		—	
Net earnings attributable to L&P	(511)	656	144	(137)	326	189	(24%)
EPS	(3.73)	4.78	1.05	(1.00)	2.39	1.39	(24%)

<sup>1</sup> See slide 28 for non-GAAP adjustments

- **Sales: \$4.0–\$4.3 billion; down 2% to 9% versus 2024**
  - Expect demand to remain pressured due to economic uncertainty and restructuring-related sales attrition
  - Volume is expected to be down low to mid-single digits
  - Volume at the midpoint:
    - \* Down mid-single digits in Bedding Products Segment
    - \* Down mid-single digits in Specialized Products Segment
    - \* Down low single digits in Furniture, Flooring & Textile Products Segment
  - Raw material-related price decreases and currency impact combined expected to reduce sales low single digits
- **Adjusted EPS: \$1.00–\$1.20**
  - At the midpoint, increase versus 2024 due primarily to restructuring benefit and operational efficiency improvements, partially offset by lower volume
- **Implied adjusted EBIT margin of 6.4%–6.8%**

- Depreciation and amortization ~\$135 million
- Net interest expense ~\$70 million
- Tax rate ~25%
- Diluted shares ~139 million
- Operating cash \$275–\$325 million
- Cap-ex ~\$100 million
- Minimal acquisitions and share repurchases, as well as a full year of lower quarterly dividends, supporting continued prioritization of debt reduction while funding organic growth

# Restructuring Update

## 2024 Progress

### Bedding Products

- ✓ Reduced footprint by 14 locations (10 in U.S. Spring, 3 in Specialty Foam, 1 in Adjustable Bed)
  - ✓ Consolidated all domestic innerspring production into 4 remaining locations
  - ✓ Exited Mexican innerspring operation
- ✓ Downsized Chinese innerspring operation
- ✓ Sold 2 properties

### Furniture, Flooring & Textile Products

- ✓ Closed 1 facility in Home Furniture
- ✓ Closed 1 facility in Flooring Products and substantially completed Phase 1 of Flooring Products restructuring

### Specialized Products

- ✓ Initiated Hydraulic Cylinders restructuring

### Corporate

- ✓ Reduced G&A cost structure

## 2025 Expectations

### Bedding Products

- ❑ Complete Bedding restructuring, primarily Specialty Foam consolidations

### Furniture, Flooring & Textile Products

- ❑ Launch and complete Phase 2 of Flooring Products restructuring

### Specialized Products

- ❑ Complete Hydraulic Cylinders restructuring

# Restructuring Plan Financial Update



	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024 Actuals	2024 Estimates	2025 Incremental Estimates	Total or Full Run Rate Estimates
<b>EBIT Benefit</b>	<\$1m	\$3m	\$6m	\$12m	 \$22m	\$10–\$15m	\$35–\$40m	\$60–\$70m
<p>*Prior estimate for 2025 was \$45–\$55m *Prior estimate for full run rate was \$50–\$60m</p>								
<b>Cash from Real Estate</b>	–	–	\$17m	\$3m	 \$20m	~\$20m	\$15–\$40m	\$60–\$80m
<p>*No change in total estimate *Now expect \$25–\$30m in 2026 due to timing of listing properties</p>								
<b>Restructuring and Restructuring-Related Costs</b>	\$11m	\$11m	\$12m	\$14m	 \$48m	\$40–\$50m	\$30–\$40m	\$80–\$90m
Cash	\$6m	\$9m	\$11m	\$4m	\$30m	\$25–\$30m	\$15–\$20m	\$45–\$50m
Non-cash	\$5m	\$2m	\$1m	\$10m	\$18m	\$15–\$20m	\$15–\$20m	\$35–\$40m
<p>*Prior estimate for 2025 cash costs was \$5–\$10m and total cash costs was \$30–\$40m; increase due to additional cash costs associated with Hydraulic Cylinders and G&amp;A initiatives *Prior estimate for 2025 non-cash costs was \$20–\$25m and total non-cash costs was \$35–\$45m; decrease due to lower than anticipated asset impairment charges</p>								
<b>Sales Attrition</b>	–	\$3m	\$4m	\$8m	 \$15m	~\$15m	~\$45m	~\$80m
<p>*Prior estimate for 2025 was \$60–\$70m *No change in total estimate</p>								

# Segment Detail

# Q4 2024 Segment Summary



	Q4-24 Organic Sales Growth <sup>1, 2</sup>	Q4-24 Adj. EBIT <sup>2</sup> Margin	Δ vs Q4-23 Adj. EBIT <sup>2</sup> Margin	Q4-24 Adj. EBITDA <sup>2</sup> Margin	Δ vs Q4-23 Adj. EBITDA <sup>2</sup> Margin
Bedding Products	(6%)	2.0%	-40 bps	5.6%	-270 bps
Specialized Products	(5%)	10.0%	Flat	13.8%	+80 bps
Furniture, Flooring & Textile Products	(4%)	5.1%	-130 bps	6.7%	-130 bps
<b>Total Consolidated</b>	<b>(5%)</b>	<b>5.3%</b>	<b>-60 bps</b>	<b>8.5%</b>	<b>-140 bps</b>

<sup>1</sup> Includes raw material-related selling price impact and currency impact

<sup>2</sup> See slides 21, 23, 25, and 28 for non-GAAP reconciliations

# Bedding Products



Trade Sales	mIn \$'s	% change
4 <sup>th</sup> Qtr 2023	\$449	
Organic Sales <sup>1</sup>	(28)	(6%)
4 <sup>th</sup> Qtr 2024	\$420	(6%)

<sup>1</sup> Lower volume (3%) and raw material-related selling price decreases (3%)

mIn \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
Adjusted <sup>2</sup> 4 <sup>th</sup> Qtr 2023	\$11	2.4%	\$27	\$37	8.3%
Change <sup>3</sup>	(3)		(12)	(14)	
Adjusted <sup>4</sup> 4 <sup>th</sup> Qtr 2024	\$8	2.0%	\$15	\$24	5.6%

<sup>2</sup> Adjusted to exclude long-lived asset impairment \$444m and gain from net insurance proceeds (\$1m)

<sup>3</sup> Calculations impacted by rounding

<sup>4</sup> Adjusted to exclude restructuring charges \$10m, goodwill impairment \$1m, and gain on sale of real estate (\$4m)

# Bedding – Key Points

- Q4 organic sales were down 6%:
  - Volume decreased 3%, primarily due to demand softness in U.S. and European bedding markets, the expected exit of a customer in Specialty Foam, and restructuring-related sales attrition, partially offset by higher trade rod and wire sales
  - Raw material-related selling price decreases reduced sales 3%

- Sales trends:

	Q4 Organic Sales	Q4 Volume <sup>1</sup>	2024 Organic Sales	2024 Volume <sup>1</sup>
Steel Rod	74%	82%	28%	42%
Drawn Wire	(7%)	5%	(11%)	1%
U.S. Spring <sup>2</sup>	(11%)	(10%)	(15%)	(11%)
Specialty Foam <sup>3</sup>	(10%)	(7%)	(13%)	(8%)
Adjustable Bed	(12%)	(12%)	(12%)	(12%)
International Bedding	(14%)	(12%)	(15%)	(10%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

<sup>2</sup> Restructuring-related sales attrition (3%) in Q4 and (1%) in 2024

<sup>3</sup> Sales decline attributed to exit of customer (13%) in Q4 and (12%) in 2024

- Q4 adjusted EBIT decreased primarily from metal margin compression and unfavorable sales mix, partially offset by lower amortization expense and restructuring benefit

# Specialized Products



Trade Sales	mln \$'s	% change
4 <sup>th</sup> Qtr 2023	\$319	
Organic Sales <sup>1</sup>	(15)	(5%)
4 <sup>th</sup> Qtr 2024	\$304	(5%)

<sup>1</sup> Lower volume (5%)

mln \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
4 <sup>th</sup> Qtr 2023	\$32	10.0%	\$9	\$41	13.0%
Change <sup>2</sup>	(2)		2	1	
Adjusted <sup>3</sup> 4 <sup>th</sup> Qtr 2024	\$30	10.0%	\$12	\$42	13.8%

<sup>2</sup> Calculations impacted by rounding

<sup>3</sup> Adjusted to exclude restructuring charges \$5m

# Specialized – Key Points

- Q4 organic sales were down 5%:
  - Volume decreased 5% from declines in Automotive and Hydraulic Cylinders, partially offset by growth in Aerospace

- Sales trends:

	Q4 Organic Sales	Q4 Volume <sup>1</sup>	2024 Organic Sales	2024 Volume <sup>1</sup>
Automotive	(7%)	(8%)	(5%)	(4%)
Aerospace	29%	24%	24%	16%
Hydraulic Cylinders	(19%)	(19%)	(13%)	(11%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

- Q4 adjusted EBIT decreased primarily from lower volume partially offset by disciplined cost management

# Furniture, Flooring & Textile Products



Trade Sales	mln \$'s	% change
4 <sup>th</sup> Qtr 2023	\$348	
Organic Sales <sup>1</sup>	(16)	(4%)
4 <sup>th</sup> Qtr 2024	\$333	(4%)

<sup>1</sup> Lower volume (2%) and raw material-related price decreases (2%)

mln \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
Adjusted <sup>2</sup> 4 <sup>th</sup> Qtr 2023	\$22	6.4%	\$6	\$28	8.0%
Change <sup>3</sup>	(6)		—	(6)	
Adjusted <sup>4</sup> 4 <sup>th</sup> Qtr 2024	\$17	5.1%	\$6	\$22	6.7%

<sup>2</sup> Adjusted to exclude gain on sale of real estate (\$6) and gain from net insurance proceeds (\$4m)

<sup>3</sup> Calculations impacted by rounding

<sup>4</sup> Adjusted to exclude restructuring charges <\$1m

- **Q4 organic sales were down 4%:**
  - Volume decreased 2% primarily from continued weak demand in residential end markets partially offset by growth in Geo Components and Fabric Converting
  - Raw material-related selling price decreases reduced sales 2%

- **Sales trends:**

	Q4 Organic Sales	Q4 Volume <sup>1</sup>	2024 Organic Sales	2024 Volume <sup>1</sup>
Home Furniture <sup>2</sup>	(10%)	(6%)	(9%)	(6%)
Work Furniture	(3%)	(4%)	—%	(2%)
Flooring <sup>3</sup>	(9%)	(3%)	(8%)	(3%)
Textiles	—%	3%	(6%)	(2%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

<sup>2</sup> Restructuring-related sales attrition (2%) in Q4 and (2%) in 2024

<sup>3</sup> Restructuring-related sales attrition (2%) in Q4 and (1%) in 2024

- **Q4 adjusted EBIT decreased primarily from lower volume, raw material-related pricing adjustments, and other smaller items**

# CONTACT US FOR ADDITIONAL INFORMATION

Ticker: LEG (NYSE)  
Website: [www.leggett.com](http://www.leggett.com)  
Email: [invest@leggett.com](mailto:invest@leggett.com)  
Phone: (417) 358-8131

Cassie Branscum

*Vice President, Investor Relations*

Kolina Talbert

*Manager, Investor Relations*

Katelyn Pierce

*Analyst, Investor Relations*

# Non-GAAP Adjustments



\$'s in millions (except EPS)	Q4-24	Q4-23	2024	2023
<b>Non-GAAP Adjustments (\$'s)<sup>1,2</sup></b>				
Goodwill impairment	1	—	676	—
Restructuring, restructuring-related and impairment charges <sup>4</sup>	15	—	50	—
CEO transition compensation costs <sup>5</sup>	—	—	4	—
Gain on sale of restructuring real estate <sup>3</sup>	(2)	—	(17)	—
Gain on sale of idle real estate <sup>3</sup>	(2)	(6)	(14)	(11)
Gain from net insurance proceeds from tornado damage <sup>3</sup>	—	(5)	(2)	(9)
Long-lived asset impairment	—	444	—	444
<b>Non-GAAP adjustments (pre-tax \$'s)</b>	<b>12</b>	<b>433</b>	<b>696</b>	<b>424</b>
Income tax impact	(3)	(100)	(46)	(98)
Special tax items <sup>6</sup>	5	—	5	—
<b>Non-GAAP adjustments (after tax \$'s)</b>	<b>15</b>	<b>333</b>	<b>656</b>	<b>326</b>
Diluted shares outstanding	138.2	136.5	137.3	136.3
<b>EPS impact of non-GAAP adjustments</b>	<b>\$.11</b>	<b>\$2.44</b>	<b>\$4.78</b>	<b>\$2.39</b>

<sup>1</sup> For additional non-GAAP reconciliation information, see page 10 of the press release

<sup>2</sup> Calculations impacted by rounding

<sup>3</sup> Adjustments affected the Other Income (expense) line on the income statement: Q4-24 (\$4), YTD 2024 (\$33); Q4-23 (\$11), YTD 2023 (\$20)

<sup>4</sup> Restructuring charges affected the following line items on the income statement: Q4-24 – COGS (\$9), SG&A (\$4), Other Income (expense) (\$2), YTD 2024 – COGS (\$13), SG&A (\$16), Other Income (expense) (\$21)

<sup>5</sup> CEO transition compensation costs affected the SG&A line on the income statement: YTD 2024 (\$4)

<sup>6</sup> Deferred tax asset valuation allowance related to a 2022 acquisition in the Specialized Products segment

# Reconciliation of Full Year Adj EBIT & EBITDA



(\$ millions) <sup>1</sup>	Bedding Products	Specialized Products	Furniture, Flooring & Textile Products	Other
<b>2024 EBIT</b>	<b>(\$549)</b>	<b>\$64</b>	<b>\$58</b>	<b>(\$4)</b>
Goodwill impairment	588	44	44	—
Restructuring, restructuring-related and impairment charges <sup>2</sup>	37	10	2	—
Gain from sale of restructuring real estate	(17)	—	—	—
Gain from sale of idle real estate	(14)	—	—	—
Gain from net insurance proceeds	—	—	(2)	—
CEO transition compensation costs	—	—	—	4
<b>2024 Adjusted EBIT</b>	<b>\$45</b>	<b>\$118</b>	<b>\$103</b>	<b>\$0</b>
Depreciation & amortization	59	43	22	—
<b>2024 Adjusted EBITDA</b>	<b>\$104</b>	<b>\$161</b>	<b>\$125</b>	<b>\$0</b>
<b>2023 EBIT</b>	<b>(\$344)</b>	<b>\$125</b>	<b>\$129</b>	<b>\$0</b>
Long-lived asset impairment	444	—	—	—
Gain on sale of real estate	(5)	—	(6)	—
Gain from net insurance proceeds	(2)	—	(7)	—
<b>2023 Adjusted EBIT</b>	<b>\$92</b>	<b>\$125</b>	<b>\$116</b>	<b>\$0</b>
Depreciation & amortization	104	41	23	—
<b>2023 Adjusted EBITDA</b>	<b>\$196</b>	<b>\$166</b>	<b>\$139</b>	<b>\$0</b>
<b>2024 Total Sales</b>	<b>\$1,752</b>	<b>\$1,239</b>	<b>\$1,393</b>	<b>\$0</b>
<b>2023 Total Sales</b>	<b>\$1,965</b>	<b>\$1,280</b>	<b>\$1,481</b>	<b>\$0</b>
<b>2024 EBIT Margin</b>	<b>(31.3%)</b>	<b>5.2%</b>	<b>4.2%</b>	<b>0.0%</b>
<b>2024 Adjusted EBIT Margin</b>	<b>2.6%</b>	<b>9.5%</b>	<b>7.4%</b>	<b>0.0%</b>
<b>2024 Adjusted EBITDA Margin</b>	<b>6.0%</b>	<b>13.0%</b>	<b>8.9%</b>	<b>0.0%</b>
<b>2023 EBIT Margin</b>	<b>(17.5%)</b>	<b>9.8%</b>	<b>8.7%</b>	<b>0.0%</b>
<b>2023 Adjusted EBIT Margin</b>	<b>4.7%</b>	<b>9.8%</b>	<b>7.8%</b>	<b>0.0%</b>
<b>2023 Adjusted EBITDA Margin</b>	<b>10.0%</b>	<b>13.0%</b>	<b>9.4%</b>	<b>0.0%</b>

<sup>1</sup> Calculations impacted by rounding

<sup>2</sup> Includes \$3 million associated with exploring the potential sale of Aerospace in the Specialized Products segment